

July 15, 2015

1. The current license system itself is to blame for much of New Mexico's problems with alcohol, DUI fatalities etc. The prevention folks have it wrong. The current system encourages aggressive sales tactics due to high cost. The prevention folks have sided with the existing license holders maintaining an attitude of "no new licenses" when they should be encouraging new licenses that are non-predatory.
2. Full license holders achieved their aim of wide open license transfers in the 2015 Legislative session. But as originally proposed in the Liquor Task force, this was to include replacement licenses for outlying, and rural areas left stranded without any licenses. That part never happened.
3. The current license system serves only a few, to the detriment of the population. The cost, upwards of half a million dollars/ license, is not sustainable, especially for independent rural operators. Downtown Silver City, for example does not have a single full liquor license left. Despite tremendous efforts to revitalize, there is no chance of a full license returning due to the extremely high cost. These small downtown venues, with limited infrastructure and parking, could never pay the high price, no matter how it is financed.
4. The trend of full licenses migrating to urban areas and being absorbed by corporations not based in New Mexico will continue until there are very few independent licenses left. Wal-Mart, CVS, Walgreens, Applebees, Chilis, Outback, and the ever present New Mexico gas/convenience store chains will be all that remain. We are already looking at too many package stores, and not enough bars & restaurants that serve spirituous liquors. This is detrimental to tourism and economic development, especially in rural areas. It is irreversible with the current system.
5. Unfortunately there is too much value in the full license system to change it. Maybe someday?
6. Variations on the Restaurant Beer & Wine license can parallel full licenses without threatening their value. The Licensees fear of the Restaurant license was unfounded back in 1980, and it is unfounded now. What we are proposing has no attraction, or use, for buyers of full licenses. Value is in the eye of the buyer. Potential buyers of full liquor licenses will still be interested in full licenses for their corporate chain stores and restaurants.
7. There is a need for spirituous liquors in more venues in order to promote tourism and economic development, especially in rural areas, and Historic and Cultural Districts. The "enhanced" Restaurant license, as proposed by Bill Soules SB 71, with new restrictions for Historic/cultural districts and properties, an additional \$500 fee, and allowances for the commerce clause, can do this. Tourists are very attracted to local products. If a tourist wants a margarita with his enchilada, a margarita made with New Mexico tequila will do nicely. He wants a margarita, not an excuse and an explanation.

8. A 12 pm closing time on Friday and Saturday nights for restaurants was approved by the Liquor Task Force but got lost in the legislative shuffle. The prevention lobby argued against it, then supported it for rural areas. This accord was just one meeting too late for the omnibus liquor bill that passed last year.

9, Local governing bodies need to define their own needs and parameters in terms of Historic and Cultural Districts and properties, enabling the enhanced restaurant license. Examples are towns like Alamogordo, which has no "Historic District" per se, but with a history of aeronautics and space, town fathers might choose to promote a cultural space center, and encourage restaurants to participate. Counties don't have "Historic Districts" either, but many have historic lodges and properties well suited for the enhanced restaurant license. Let the local governing body authority decide what best suits them.

10. New Mexico's new Craft spirits industry, with some legislative tweaking, HB 339, can supply the new venues, and build both industries, by New Mexico, for New Mexico. Restaurants and Craft Distilleries working together, would be parallel but independent from the existing full license system.

11. The current 1,000 gallon minimum annual production for Craft Distilleries with no ability to self distribute encourages the same aggressive sales tactics as the full licenses. A 3,000 gallon allowance for self distribution would encourage craft distilleries to operate as manufacturers, supplying local restaurants, bars and liquor stores, building their brand and seeking distribution, instead of having to aggressively operate their tasting room like a bar in order to meet the minimum annual production, with little opportunity left to achieve distribution.

12. Performance venues and Cultural Activities are legitimate venues for alcohol sales, substituting ticket sales for food sales as a variation of the restaurant beer & wine license.

13. Special events of an Arts and cultural nature should be able to obtain temporary event permits for alcohol sales, especially wine, with limitations, subject to local governing body approval, without an existing licensee as a sponsor.

14. Delivery of alcohol, already going on, needs to be codified. SB 503 made it through the House and Senate. Governor Martinez asked for additional, but reasonable restrictions.

15. Charity Casino nights need to be codified as part of the Bingo and Gaming Act. This idea needs a sponsor. See handout for details.